THE HIGH ROAD

"Preserving public confidence in public servants."

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ALOHA

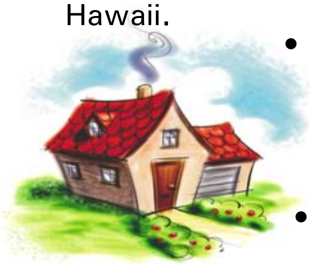
Commissioner Yoshida

The Hawaii State Ethics Commission and its staff send their best wishes and Aloha to the Commission's former chairperson, Ronald Yoshida, who completed his term on the Commission on June 30, 2005. Mr. Yoshida was first appointed to the Commission by Governor Cayetano in 1998, and was reappointed to a second term in 2001. He served as the Commission's chairperson from 2002 to 2004.

Changes To Financial Disclosure Law Take Effect January 1, 2006

A new law, Act 135, will affect state officials who must file financial interests disclosures with the State Ethics Commission next year. Beginning January 1, 2006, the following changes to the financial disclosure law will take effect:

- Ownership interests in businesses and real property that are located <u>outside</u> the State of Hawaii must be reported on financial disclosure statements. This will be in addition to the reporting of ownership interests in businesses and real property that are located in Hawaii.



- Filers will not be required to disclose information about their personal residence. This change was made to the law for security reasons.
- Within 30 days of separation from a state position, a filer must file a financial disclosure statement, if the filer has not filed a disclosure statement within 180 days preceding separation from the position requiring a filing.

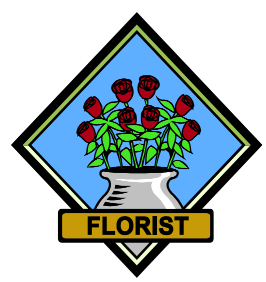
Governor Appoints Maria Sullivan to State Ethics Commission

Governor Lingle has appointed Maria Sullivan to a four-year term on the Hawaii State Ethics Commission. Ms. Sullivan is an attorney in private practice on the island of Molokai. Before opening her law practice on Molokai, Ms. Sullivan worked as an Assistant Attorney General for the Washington State Office of Attorney General. She also previously served as Senior Disciplinary Counsel for the Washington State Bar Association Office of Disciplinary Counsel. Ms. Sullivan received her law degree from Seattle University School of Law. Her term on the Commission runs until June 30, 2009.

State Supervisors and Ethics

State supervisors play an important role in promoting ethical conduct in state government. They oversee the actions of other employees and help ensure that employees follow required standards of conduct. But what happens when a supervisor's own conduct fails to meet these standards? Consider the following cases:

A division chief circulated order forms in a state office on behalf of a friend's flower business that was selling roses for Memorial Day. Subordinate employees were told that they could fax their sales orders to a state office and that orders would be delivered to them at work.

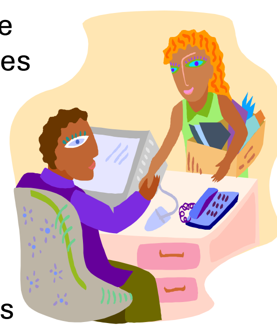


A departmental manager solicited subordinate employees during an office meeting to hold signs for political candidates and, according to some employees, stated that persons who did not volunteer would be placed on the deputy director's "X list."

A state supervisor received personal loans from two subordinate employees. One of the loans was for $200, the other for over $100. The supervisor claimed that the loans were based on personal friendship, but the employees did not agree that such a friendship existed. One of the employees complained that he loaned money to the supervisor because he feared that he would be fired if he did not comply with the supervisor's request for a loan.

These are actual cases that occurred many years ago and the supervisors are no longer in state service. However, these cases typify the kinds of problems that can arise.

Employees who supervise others at work must be mindful of the ethics code, especially in their dealings with subordinate employees. Here are a few basic reminders:



- Employees may not use their state offices for private business purposes. Examples of prohibited activities in state offices include soliciting other employees for private business transactions, and taking sales orders and collecting payments from other employees at work.

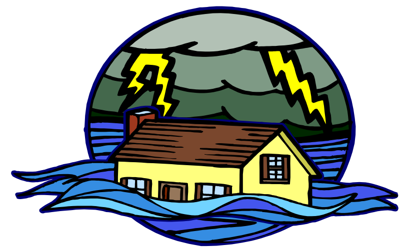
- Employees may not use their state offices for campaign activities. Examples of prohibited activities in state offices include soliciting campaign assistance from other employees, distributing or selling fund raiser tickets, collecting campaign contributions, and performing other campaign activities at work.

- Employees may not use their official positions to direct, order, or coerce subordinate employees to assist with private business activities or campaign activities.

- Supervisors may not solicit or enter into substantial financial transactions with subordinate employees.

Supervisors who promote ethics in the workplace provide a valuable service to the State. By setting the correct example for subordinate employees, supervisors help their agencies maintain high standards of ethical conduct. Employees with questions about the State Ethics Code are encouraged to contact the State Ethics Commission's office at 587-0460.

Helping the Victims of Hurricane Katrina



We have all seen the news reports about the devastation left behind by Hurricane Katrina. Many individuals and organizations have responded with humanitarian relief efforts. State employees may also wish to raise money for victims of the hurricane and some state offices have asked whether this is permissible under the State Ethics Code.

The State Ethics Code does not prohibit state employees from collecting donations or conducting other fund raising efforts within their agencies for Hurricane Katrina relief. As always, any donations should be freely given and not coerced. If your agency has any questions about the collection of donations for hurricane relief, please contact the Commission's office for further information.

The High Road is a publication of the Hawaii State Ethics Commission.

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